



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0471	Title:	Fuel criteria for state fleet and contractors
Primary Sponsor:	Brueggeman, John	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$12,000	\$6,000	\$6,000	\$6,000
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$12,000)</u>	<u>(\$6,000)</u>	<u>(\$6,000)</u>	<u>(\$6,000)</u>

Description of fiscal impact:

This bill requires the Department of Environmental Quality (DEQ) to establish a baseline for the carbon intensity of fuel for a baseline year of 2009. There is currently no information collected about the carbon intensity of fuel purchased by the state. This effort would require a one time only fiscal impact to the general fund.

FISCAL ANALYSIS

Assumptions:

Department of Environmental Quality (DEQ)

1. There is little information available nationally about the carbon intensity of fuels at this time. However, more information is expected to be available from the federal government through national laboratories and from other states in the future.
2. DEQ would rely on the work of other states and the federal government to determine carbon intensity.
3. A contract would be issued to develop the baseline for fuels purchased by the State of Montana including gasoline, butanol, diesel, corn ethanol, cellulosic ethanol, coal to liquids fuel, biodiesel, electricity, hydrogen, and compressed natural gas. The contractor would be asked to review methodology under development in other states or by the federal government and to develop a method for determining and

tracking the carbon intensity of fuel purchased by Montana state government. The cost of the contract is estimated at \$12,000. The contract would be issued in FY 2010.

4. In order to monitor and determine compliance with the statute, DEQ would incur approximately \$6,000 in cost each year to collect and analyze the relevant data.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
Department of Environmental Quality				
<u>Expenditures:</u>				
Operating Expenses	\$12,000	\$6,000	\$6,000	\$6,000
<u>Funding of Expenditures:</u>				
General Fund (01)	\$12,000	\$6,000	\$6,000	\$6,000
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$12,000)	(\$6,000)	(\$6,000)	(\$6,000)

Sponsor's Initials

Date

Budget Director's Initials

Date